



A White-Hot TSX Energy Stock That's a Buy Right Now!

Description

2022 has been a rocky road that's left many Canadian investors in the ditch. Still, now is not the time to give up on the stock market. Yes, a lot of things have turned sour this year, but don't discount the possibility of good news. Inflation could roll over quicker than expected, giving the U.S. Federal Reserve room to pause and allow investors to take a bit of a breather.

Undoubtedly, a soft landing may or may not be possible this time around, with many corporations reporting downbeat earnings. Another earnings season is right up ahead, and we'll get a closer glimpse of what we're in for as many brace for a downturn.

While all hope seems lost, it's important to remember that the stock market is a forward-looking indicator of a recession. As such, there's no point in fearing the coming recession, given the damage to stocks are sure to be baked in well beforehand! Once the actual recession strikes, the markets may settle or even rally off the bottom. Indeed, it would be far more useful if a recession was an indicator of where stocks are headed next!

The bull run in Canadian oil stocks may not be over yet!

Regardless of where the broader stock market goes from here, the oil bull market simply looks unstoppable. Eventually, it'll run out of steam, but with the possibility of US\$175 per barrel of oil discussed by smart people on Wall Street, I'd argue that top [energy plays](#) could be on the cusp of a massive upside move.

Yes, momentum stocks tend to overshoot their intrinsic value range. However, given the alarmingly low multiples across many TSX energy stocks, I'd argue that we're not there yet. Further, if the Ukraine-Russia conflict gets far worse, inflation could really heat up, and the top oil stocks may be the only things that can hold their own as markets slip further.

We're in a stock picker's market right now. So, if you're ready to stock pick your way to greater results, rather than settling for meagre performance of the averages, consider **Suncor Energy** ([TSX:SU](#))([NYSE:SU](#)), one hot TSX energy stock that could have the best days ahead of it.

TSX energy stock: Suncor Energy

Suncor Energy is quite possibly the cheapest integrated energy stock right now. Many Canadians know of the name and have soured on it when the company was forced to slash its dividend in response to the horrific coronavirus plunge in oil prices. These days, Suncor is thriving on the back of industry tailwinds. The stock was up 1.6% on Wednesday, as oil added to its gains above the US\$120 mark.

As oil continues rallying towards US\$150, while the company pushes to improve upon its operational track record, there's a lot of hidden value to be unlocked. At 12.4 times trailing earnings, shares are hardly expensive. They're just flirting with five-year highs, making shares of SU a great buy for those late to the oil run but still want to get in at a low multiple.

Finally, the 3.5%-yield dividend is poised to grow fast from here.

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Author

joefrenette

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